

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

02 - 13

2. STATE:

Kentucky

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

09/01/02

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.309

7. FEDERAL BUDGET IMPACT:

a. FFY 02 \$ -0-

b. FFY 03 \$ (12.0m)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, Page 20.12 (b)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):

None

10. SUBJECT OF AMENDMENT:

Emergency Room Services

11. GOVERNOR'S REVIEW (Check One):

- ☐ GOVERNOR'S OFFICE REPORTED NO COMMENT  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Mike Robinson

13. TYPED NAME:

Mike Robinson

14. TITLE:

Commissioner

15. DATE SUBMITTED:

9/18/02

16. RETURN TO:

Frances McGraw  
Eligibility Policy Branch  
Department for Medicaid Services  
275 East Main Street, 6W-C  
Frankfort, KY 40621**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

September 19, 2002

18. DATE APPROVED:

October 15, 2002

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

September 1, 2002

20. SIGNATURE OF REGIONAL OFFICIAL:

Rhonda R. Cottrell

21. TYPED NAME:

Rhonda R. Cottrell

22. TITLE:

Associate Regional Administrator  
Division of Medicaid

23. REMARKS:

---

G. Emergency Room Services

1. Effective for services provided on and after September 1, 2002, the Department will reimburse for emergency room services at a flat rate per visit based upon the level of service provided. In addition, diagnostic and radiological procedures will be paid at specific rates.
2. There shall be rates for three (3) levels of service and an assessment fee:
  - Level I shall be those services billed using CPT codes 99281 and 99282, reimbursed at \$82.00.
  - Level II shall be those services billed using CPT codes 99283 and 99284, reimbursed at \$164.00.
  - Level III shall be those services billed using CPT codes 99285, reimbursed at \$264.00
  - An assessment, or triage, shall be payable at \$20.00

Included in the flat rate are pharmacy (except for thrombolytic agents), medical supplies, radiology (except as described in 4 below), laboratory, physical and respiratory therapy, electrocardiogram, and electroencephalogram.

3. The flat rates per visit were calculated in accordance with the following:

The Level II rate was calculated by multiplying the average costs for Level II services in state fiscal years 2000 and 2001 (adjusted by the moving average of Data Resources, Inc. for the Hospital Market Basket) by .75.

The Level I rate is established at 50% of the Level II rate.

The Level III rate is established at \$100 higher than the Level II rate.

4. Separate rates were established for the following:

The rates for treatment procedures including cardiac catheterization and lithotripsy are calculated at 150% of the average adjusted costs for the procedure in state fiscal years 2000 and 2001.

The rates for diagnostic procedures including CT scans, ultra sounds, and magnetic reasoning imaging are calculated at 100% of the average adjusted costs for the procedure in state fiscal years 2000 and 2001.

The rate for observation are calculated at 100% of the average adjusted costs for state fiscal years 2000 and 2001.

5. Thrombolytic agents shall be reimbursed at acquisition costs.

Date: November 1, 2002

To: Yvonne Kanak; Writer/Analyst; Health Law Group  
From: Elliott Weisman; Health Care Financing Administration  
Re: Approved State Plan Amendments

State/Number	Date Approved	Effective Date
1- Florida (02-10)	10/22/02	07/01/02
2- Georgia (02-005)	10/22/02	10/01/02
3- Kentucky (02-10)	10/15/02	09/01/02